Immunocept, LLC, et al v. Fulbright & Jaworski Doc. 6

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

FILED
MAR 08 2006
CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS
BY ______ DEPUTY CLERK

IMMUNOCEPT, LLC, PATRICE ANNE LEE, AND JAMES REESE MATSON	§	
	§	
Plaintiffs,	§	
	§	
v.	§	CAUSE NO. A05CA334 SS
	§	
FULBRIGHT & JAWORSKI, LLP,	§	
	§	
Defendant.	§	

DEFENDANT FULBRIGHT & JAWORSKI, LLP'S REPLY TO PLAINTIFFS' RESPONSE TO FULBRIGHT'S MOTION TO COMPEL PLAINTIFFS TO PERMIT QUESTIONING OF THOMAS R. FELGER AND R. DARRYL BURKE

TO THIS HONORABLE COURT:

COMES NOW, Fulbright & Jaworski, LLP ("Fulbright"), and files its Reply to Plaintiffs' Response to Fulbright's Motion to Compel Plaintiffs to Permit further Questioning of Darryl Burke and Tom Felger, and in support thereof, would respectfully show the Court as follows:

I. Summary

Plaintiffs continue their slow but steady retreat on their objections to discovery of their attorneys, Tom Felger ("Felger") and Darryl Burke ("Burke"), who worked with and provided advice to Plaintiffs on the '418 subsequent to Fulbright's representation of Plaintiffs.

At the time of Felger and Burke's depositions, Plaintiffs' counsel made repeated privilege objections and instructed them not to answer innumerable deposition questions. Only after the Felger deposition was over did Plaintiffs finally admit that they had wrongly asserted privilege regarding pre-April 2002 communications and they agreed to permit Fulbright to ask ***some***

68

Dockets.Justia.com

questions of Burke regarding such communications. Although Plaintiffs continue to object to questions regarding Felger and Burke's impressions and assessments of the '418, Plaintiffs offer no facts or law to establish any *privilege* protecting such information, and instead they now argue that such information is somehow not *relevant.* (Response at 2, 9-10). In doing so, Plaintiffs have resorted to factually unsupportable hair-splitting over the role and activities of their counsel, and they assert positions that are belied by their own documents and testimony. The information sought is relevant and it is not privileged. Accordingly, the Court should grant Fulbright's motion.

II. Argument and Authorities

Plaintiffs do not even discuss, much less provide a counter to, Fulbright's argument that there is *no privilege* applicable to Felger and Burke's assessments of the '418. Indeed, Plaintiffs have studiously refused to identify what "privilege" they claim—they use that term without ever stating that a privilege actually exists or the basis for a privilege. Plaintiffs ignore that ***it is their burden of proof*** to show privilege,[1] and they offer no evidence in their Response to carry that burden. This reticence is understandable, as there has been absolutely no allegation that, prior to April 2002, plaintiffs or their counsel were "anticipating litigation" such that work product would apply, or that there was a "confidential communication" such that attorney-client privilege would apply.

Plaintiffs posit only two arguments in their response to Fulbright's motion. (*See* Response at 2). First they argue that Defendants' nonwaiver agreement regarding Plaintiffs' production of Felger and Burke's *documents* somehow precludes Fulbright from obtaining the information that is the subject of the Motion to Compel. Second, they argue that the information Fulbright seeks is irrelevant. Both arguments are wrong.

---

[1] *See Huie v. DeShazo*, 922 S.W.2d 920, 926 (Tex. 1996).

A. The September 19, 2005 Letter Agreement only applies to certain *documents* not at issue here.

Plaintiffs' argument regarding the September 2005 Letter Agreement is without merit because (a) there is no privilege covering this information (thus, waiver considerations are irrelevant), and (b) because Plaintiffs misconstrue the Letter Agreement reached regarding the scope of *document* discovery of Felger and Burke.

Should this Court decide that a privilege may apply, despite Plaintiffs' failure to produce any proof thereof, such privilege has been waived because of the offensive-use doctrine and because Plaintiffs discussed their communications with Felger and Burke in their depositions. In an attempt to preclude this discovery of Felger and Burke, Plaintiffs mischaracterize a Letter Agreement between counsel regarding whether Plaintiffs' act of producing documents that predate April 5, 2002 from Felger and Burke's files constitutes waiver of privilege governing documents that post date April 5, 2002. The Letter Agreement cited by Plaintiffs states that Plaintiffs' act of producing certain documents from Felger's files (i.e., those that pre-date April 5, 2002) did not constitute waiver of privilege with respect to *other documents* that post-date April 2002:

> It is agreed that, ***by producing the above-described [pre-April 5, 2002] documents*** to Defendant, Plaintiffs do not waive in whole or in part, any attorney-client privilege that exists between Plaintiffs and its attorneys for ***documents other than those produced to Defendant***.

(*See* Exhibit D to Plaintiffs' Response). Plainly, the non-waiver portion of the Letter Agreement only applies to certain *documents* (i.e., those dated after April 5, 2002), and not to the *communications* or *impressions* that are the subject of Fulbright's Motion. Plaintiffs' argument that the Letter Agreement somehow applies to their deposition testimony is also wrong as the sole subject matter of the agreement was document production.

Fulbright is not arguing that Plaintiffs' act of producing Felger and Burke's pre-April 5, 2002, documents waived any privilege. Rather, it is the well-established offensive use doctrine and Plaintiffs' deposition testimony that constitute waiver of any privilege that might otherwise attach.[2]

B. Felger and Burke's assessments and impressions of the '418 are relevant and discoverable.

As they cannot rely on privilege, Plaintiffs attempt to argue that the information is not relevant. Specifically, Plaintiffs contend that any assessments of the '418 held by Felger and Burke were allegedly formed while acting outside the scope their employment and therefore would "not be relevant." (Response at 2). As demonstrated in Fulbright's motion, one need only take a cursory look at the record to see that the information is relevant to limitations and the merits of Plaintiffs' claims, and that Plaintiffs' position regarding Felger and Burke's roles is artificially limiting.

The evidence shows that Felger reviewed the '418 *years* before Plaintiffs filed suit, ***and*** that the file history and prior art was reviewed as well. Felger testified that he reviewed the '418 in 1999. (**Exhibit A**, Deposition of Thomas Felger, pp. 20-21.) Additionally, Felger reviewed the '418 file history and prior art references and sought to "interpret" the claims in the '418. Consider the work described in Felger's bill to Plaintiffs for "professional services rendered through February 28, 2002":

> Patent review to determine size of molecules covered in patent; ***interpreting claims in issued patent***; ***continuing review of the file history for U.S. Patent 5,571,418***; telephone discussion with Mr. David Radunsky concerning the file history and ***possible questions by Johnson & Johnson concerning the scope of***

---

[2] *See e.g., Ginsberg v. Fifth Court of Appeals*, 686 S.W.2d 105, 106 (Tex. 1985) (granting mandamus relief when a plaintiff sought to use a privilege to protect against the disclosure of information that was "materially relevant to, and possibly validated, the statute of limitations defenses asserted by" the defendant); *Westheimer v. Tennant*, 831 S.W.2d 880 (Tex. App.—Houston [14th Dist.] 1992, orig. proceeding) (same).

> ***the claims in U.S. Patent 5,571,418***; ***reviewing prior art references cited by the examiner to reject the pending claims***; ***continuing to study the file history in preparation for telephone conference with Johnson & Johnson concerning the scope of the claims in U.S. Patent 5,571,418*** and other Immunocept patents/pending applications; telephone conference with Immunocept and Johnson & Johnson representatives concerning Immunocept intellectual property portfolio.

(**Exhibit B** (emphasis added); **Exhibit A**, Felger Deposition, pp. 37-38.) This time entry reflects that Felger even conducted a review of the prior art references "cited by the examiner to reject pending claims." *Id.*. Plaintiffs' malpractice case centers on an amendment used to overcome the Patent Office's rejection of the pending claims.

Despite this evidence detailing Felgers' comprehensive review of the '418, Plaintiffs now seek to minimize Felger's role and his work on the '418, claiming that, although he was asked to review the '418 patent, its file history and prior art references, he was never asked to "*comprehensively* review" it. (Motion at 10). Engaging in similar verbal gymnastics, Plaintiffs acknowledge that Felger reviewed the '418 patent, its file history and prior art to assess the scope of its protection of its claims against "slightly smaller or larger pore size filters." (Response at 9). Yet they contend that he was not specifically asked to assess the patent "within the claimed range" of the patent. (Motion at 8). Plaintiffs' touted Felger's opinions about the scope of the '418 in pre-litigation documents, but now aver that he never really reviewed the '418. (Motion at p. 3 and at Exhibits C, D, E to Defendant's Motion to Compel). At a minimum, this evidence raises serious fact questions about the scope of the representation provided by Felger, and therefore whether his knowledge may be imputed to Plaintiffs.

Plaintiffs frame the relevant limitations inquiry far too narrowly by contending that Felger and Burke were never asked specifically to look at the '418 to see if "malpractice had occurred in its prosecution." (Response at 8). A cause of action accrues on a fact specific basis when the client "***discovers a risk of harm to his economic interests***"; the harm need not be finally established or an inevitable consequence of the conduct. *See Brents v. Haynes & Boone, L.L.P.*, 53 S.W.3d 911, 914-15 (Tex. App.—Dallas 2001, pet. denied) (emphasis added). It does not matter for limitations purposes that the plaintiff did not know the specific cause of the alleged injury, the party responsible for it, the full extent of it, or the chances of avoiding it. *PPG Indus., Inc. v. JMB/Houston Ctrs. Partners L.P.*, 146 S.W.3d 79, 93-94 (Tex. 2004).

Based on these principles, the issue at hand is not whether Felger or Burke was asked to look specifically at whether the '418 was prosecuted improperly, or to investigate whether "malpractice" occurred. The issue is whether, after their work reviewing the patent, working on the patent, assessing its scope, reviewing its file history, prior art, and the subject amendment, they knew or should have known facts that are the basis for Plaintiffs' claims, including but not limited to whether they thought that the patent was narrowly drawn or whether they noticed the "consisting of" language placed at issue by Plaintiffs.

With respect to these issues, one need only look to Plaintiffs' expert's testimony to conclude that Felger and Burke's knowledge is relevant to the limitations inquiry. First, Plaintiffs' patent expert Alan MacPherson has concluded that Fulbright was negligent "by adding the phrase 'consisting of' to Claim 1 of [the '418]." (**Exhibit C**, Deposition of Alan MacPherson, pp. 53-54.) He stated that a patent attorney could reach the conclusion ***"just based on looking at the claim"*** that "consisting of" was "of less of a scope than it would have been if the word 'comprising' was used." (**Exhibit C,** p. 30.) It is "generally understood," according to MacPherson, that the phrase "drastically limits" the scope of a patent. (**Exhibit C**, pp. 36, 50, 100-01.) When directly asked, ***MacPherson could not hypothesize any set of facts under which it would be non-negligent to use the term "consisting of" in an independent claim.*** (**Exhibit C**, pp. 43; 47-48; 193.) He thought it was a "big error" that should be avoided "except

388 00006/314777 1

as a desperate last resort." (**Exhibit C**, pp.101, 125.) One need not comprehensively review the file history to understand the implications that "consisting of" has on the scope of a patent. (**Exhibit C**, pp. 36-37.) MacPherson said that upon reviewing the '418 file history, he concluded that unnecessary limitations were made to the '418 claim language. (**Exhibit C,** pp. 54-56.)

Put simply, based on McPherson's litmus tests, Plaintiffs' patent counsel subsequent to Fulbright would have known facts relevant to Plaintiffs' claims and causes of action, even if they had not been requested to specifically "investigate malpractice." And under Texas law, a client becomes aware of his legal injury when his attorney has knowledge or notice of a claim, because the attorney's knowledge is imputed to the client. *Burke v. Ins. Auto Auctions Corp.*, 169 S.W.3d 771, 777-78 (Tex. App.—Dallas 2005, pet. denied).

The information sought is also relevant to the standard of care and whether it was breached. McPherson says that it was a "big error" and that he cannot even envision a reason for using the subject language. Indeed, Plaintiffs seek *punitive* damages based on the use of the "consisting of" language. Yet according to Plaintiffs, two other well-qualified IP lawyers subsequent to Fulbright (Felger and Burke)—at least one of who reviewed the scope of the patent, including its file history, prior art and amendments—never mentioned *anything* to Plaintiffs about the subject language. Their assessments of the '418 and whether they believed "consisting of" was improper or the patent was "narrow" are plainly relevant to the jury's determination of whether Fulbright breached the standard of care.

Conclusion

For the foregoing reasons, Fulbright respectfully requests that the Court grant its motion to compel to permit questioning of Thomas R. Felger and Darryl Burke regarding their assessments of the '418 prior to April 2002.

Respectfully submitted,

By: ______________________________
David J. Beck
Texas Bar No. 00000070
Jeff Golub
Texas Bar No. 00793823
Geoff A. Gannaway
Texas Bar. No. 24036617
Connie H. Pfeiffer
Texas Bar. No. 24046627

Beck, Redden & Secrest, LLP
1221 McKinney St., Suite 4500
Houston, Texas 77010-2010
Telephone: (713) 951-3700
Facsimile: (713) 951-3720

ATTORNEYS FOR DEFENDANT FULBRIGHT & JAWORSKI, LLP

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing document was served as shown below on counsel of record on March 7, 2006.

Via Certified Mail, Return-Receipt Certified
Michael P. Lynn, P.C.
Jeremy Fielding
Lynn Tillotson & Pinker, LLP
750 N. St. Paul St., Suite 1400
Dallas, Texas 75201

____
Jeff M. Golub

388.00006/314777.1

Exhibit A

OPW

O'NEAL * PROBST * WELLS

CERTIFIED COURT REPORTERS
1314 Stanford
Houston, TX 77019
(713) 521-1314
(800) 606-0690
Fax (713) 521-1299

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

IMMUNOCEPT, LLC, PATRICE ANNE LEE, AND JAMES REESE MATSON	)	
	)	CAUSE NO. A05CA334 SS
VS.	)	
FULBRIGHT & JAWORSKI, LLP	)	

****

ORAL DEPOSITION OF

THOMAS R. FELGER

JANUARY 13, 2006

****

THE ORAL AND VIDEOTAPED DEPOSITION OF THOMAS R. FELGER, produced as a witness at the instance of the Defendant, and duly sworn, was taken in the above-styled and numbered cause on the 13th day of January, 2006, from 10:35 a.m., to 1:24 p.m., before Cathy L. Sharp, Certified Shorthand Reporter in and for the State of Texas, reported by machine shorthand, at the offices of Baker & Botts, L.L.P., One Shell Plaza, 910 Louisiana, Suite 3200, Houston, Texas, 77002, pursuant to Notice, the Federal Rules of Civil Procedure, and the provisions stated on the record or attached hereto.

COPY

Q. Sure.

A. I believe I moved to the Austin office probably -- I'd have to get -- I'd have to get back when I moved there. It was in 1999. So I think I was in Austin at this time. But I just have to -- I'd have to check my records to make sure about that.

Q. Okay. Now, if you would look at Matson Exhibit -- or Exhibit 100, which was the previous document we showed you, that's the one dated June 15, 1999. It appears that the '418 patent was sent to you on or about June 15, 1999, and then two days later an engagement letter was signed. Does that seem to be the history?

A. Yes, sir.

Q. Okay. Now, when you received the '418 patent, what did you do?

A. With the '418 patent, I don't recall doing anything.

Q. Would you have looked at it?

A. When it came with this letter, I doubt that I looked at it.

Q. Okay. When is the first time, in all likelihood, you would have looked at the '418 patent?

A. My memory is that the first time I would have looked at that patent would have been when it -- I can't say whether it was the first meeting with David Radunsky or Dr. Matson, but it would have been either the first or second meeting. There was a meeting with them in the Dallas office where they -- what they really talked to me about was -- my memory is they talked to me about these new devices, and they gave me a -- gave me -- my memory is they gave me information about several new inventions, and I believe the '418 patent Claim 1 was discussed during that meeting.

Q. Okay. Do you recall approximately when that meeting was?

A. I'm sorry, sir. I don't know whether that was -- it probably would have been after -- it probably would have been after this -- these June dates. It probably would have been after those dates.

Q. But in all likelihood, would it have been in 1999?

A. It all likelihood would have been in 1999.

Q. Okay. Now, when you looked at the '418 patent, why did you do that?

A. The -- in these -- in this meeting and in most of the -- and I would say in this meeting and early on, almost every meeting, it came up about there's a range on a filter that's described in that '418 patent, and I'm sure that we talked about that range on the filter.

Q. Let me --

A. Or we might have had it prior to that. I just don't -- I just don't recall for a fact.

Q. Let me show you what has been marked as Exhibit 142, which is a copy of a Baker-Botts' bill or invoice dated March 26th, 2002.

A. Yes, sir.

Q. Is this -- would you have been the one sending this out?

A. Yes.

Q. And I take it --

A. Yes. Yes, I did. Yes, I would have sent this out.

Q. You would have reviewed it before it went out?

A. Yes, sir.

Q. All right. There's a reference in here -- and let me just point. It says, "Patent review to determine size of molecules covered in patent." And that's this 100 to 150 kilodalton we've been talking about?

A. Yes, sir.

Q. And then it goes on to say, "Continuing to review of the file history for U.S. patent" -- and I'm just going to shorten it -- "'418"?

A. Right.

Q. Would that suggest that at least in February of 2002, you had the file history for the '418 patent?
A. Yeah. That would be this date here, February 6th.
Q. Right. And then it shows you had a telephone discussion with Mr. Radunsky concerning the file history?
A. Yes.
Q. And "possible questions by Johnson & Johnson concerning the scope of the claims in U.S. patent '418"?
A. Yes.
Q. And I take it those references in the statement are accurate?
A. Yes.
Q. And then there's another reference that says, "Continuing to study the file history in preparation for telephone conference with Johnson & Johnson"?
A. Yes.
Q. And I'm going to shorten this, "concerning the scope of the claims in the '418 patent"?
A. Yes.
Q. And you did have a telephone conference with Johnson & Johnson about that?
A. There were -- I'm pretty sure -- I can't --

THE STATE OF TEXAS:

I, CATHY L. SHARP, the undersigned Certified Shorthand Reporter in and for the State of Texas, do hereby certify that the above and foregoing caption to this deposition correctly states the facts set forth herein; that the examination of the witness named in said caption was correctly reported in shorthand by me at the time and place and under the agreement set forth in said caption and has been transcribed from shorthand into typewriting under my supervision in the foregoing transcript; and that said transcript contains a correct record of the proceedings had at said time and place;

I further certify that I am neither attorney nor counsel for, related to, nor an employee of any of the parties to the action in which this testimony was taken. Further, I am not a relative or employee of any attorney of record in this cause, nor do I have a financial interest in the action.

Certified to by me this 24th day of January, 2006.

Cathy L. Sharp
Cathy L. Sharp, Texas CSR No. 1451
Expiration Date: 12/31/2007
O'Neal * Probst * Wells, L.L.C.
Firm Registration No. 150
1314 Stanford Street
Houston, Texas 77019
(713) 521-1314

Exhibit B

BAKER BOTTS L.L.P.
ATTORNEYS AT LAW
P.O. BOX 201626
HOUSTON, TEXAS 77216-1626
TAXPAYER I.D. #74-1195457

INVOICE MAILED
MAR 27 2002

Immunocept, L.L.C.
Attn: David Radunsky
1800 10th Street, Ste. 300
Plano, TX 75074

Invoice No. 651691
Invoice Date March 26, 2002

Attorney T R Pelger

For professional services rendered through February 28, 2002

U.S. Patent 5,571,418 Hemofiltration of Toxic Mediator-Related Disease (Old BioScience file) *067062.0112*

Patent review to determine size of molecules covered in patent; interpreting claims in issued patent; continuing to review of the file history for U.S. Patent 5,571,418; telephone discussion with Mr. David Radunsky concerning the file history and possible questions by Johnson & Johnson concerning the scope of the claims in U.S. Patent 5,571,418; reviewing prior art references cited by the examiner to reject the pending claims; continuing to study the file history in preparation for telephone conference with Johnson & Johnson concerning the scope of the claims in U.S. Patent 5,571,418 and other Immunocept patents/pending applications;telephone conference with Immunocept and Johnson & Johnson representatives concerning Immunocept intellectual property portfolio.

Fee Subtotal	$1,829.00
For expenses incurred:	
Photocopying service	5.70
Postage	5.99
Current Costs Subtotal	$11.69

CIP1+0113 Hemofiltration Systems, Methods and Devices Used to Treat Inflammatory Mediator Related Disease *067062.0121*

Reviewing file for options regarding foreign filing; determining whether foreign filing license has been granted; preparing letter to Mr. Radunsky discussing options for filing abroad and reporting expiration of Paris Convention period.

Fee Subtotal	$132.00

EXHIBIT
142
12/7/05

IM031643

PRIVILIGED PRODUCED BY AGREEMENT

EXHIBIT R

BAKER BOTTS L.L.P.

Immunocept, L.L.C. Page 2

For expenses incurred:

Photocopying service	2.70
Postage	0.34
Current Costs Subtotal	$3.04

IM031644

PRIVILIGED PRODUCED BY AGREEMENT

BAKER BOTTS L.L.P.

Immunocept, L.L.C. Page 3

SUMMARY

Fees:	$ 1,961.00
Expenses:	14.73
Total Amount Due:	*$ 1,975.73*

IM031645

PRIVILIGED PRODUCED BY AGREEMENT

Exhibit C

UNITED STATES DISTRICT COURT

WESTERN DISTRICT OF TEXAS - AUSTIN DIVISION

IMMUNOCEPT, LLC, PATRICE ANNE LEE, AND JAMES REESE MATSON,

Plaintiffs,

vs.

FULBRIGHT & JAWORSKI, LLP,

Defendants.

Cause No. A050A334 SS

CERTIFIED COPY

VIDEOTAPED DEPOSITION OF ALAN MACPHERSON

DATE: Friday, January 27, 2006

TIME: 9:30 a.m.

LOCATION: MACPHERSON, KWOK, CHEN & HEID
1762 Technology Drive
Suite 226
San Jose, CA 95110

REPORTED BY: AUDREY KOLTERER, CSR NO. 11875

#22798

Advantage ARS Reporting Services, LLC

1083 Lincoln Avenue, San Jose, California 95125, Telephone (408) 920-0222, Fax (408) 920-0188

10:10:22 just said that you might determine from the file
10:10:23 history that adding "consisting of" might have been the
10:10:26 only way to get a claim issued, right?
10:10:29 A. You were talking about a speculative
10:10:31 possibility, and I said yes.
10:10:32 Q. Right. And that's what I'm -- I am talking
10:10:34 about hypotheticals.
10:10:35 But nonetheless, regardless of why someone
10:10:42 had to use "consisting of" language, or even if they
10:10:46 didn't have to use "consisting of" language, you would
10:10:48 know just from looking at the face of the patent that
10:10:51 it was limited, right?
10:10:54 A. It was of less of a scope than it would have
10:11:01 been if the word "comprising" was used. I think that
10:11:06 probably that's -- that's a conclusion you could come
10:11:10 to just based on looking at the claim.
10:11:14 Q. Now you earlier, a few questions ago, were
10:11:18 talking about -- you could look at the file history and
10:11:22 determine for what reason the "consisting of" language
10:11:26 was added and if it was necessary based on the back and
10:11:30 forth with the examiner, right?
10:11:32 A. You would look at the file history and hope
10:11:36 that you could find that.
10:11:37 Q. Now that goes to whether or not the
10:11:49 "consisting of" was necessary. But would review of the

10:20:10 would make "consisting of" in that Claim 1 of the '418
10:20:17 patent broader than -- than what you have opined it is
10:20:22 in your expert report?
10:20:24 A. I can't think of how any comments in the file
10:20:35 history would broaden the meaning of "consisting of" as
10:20:40 I sit here now.
10:20:40 Q. So when you look at the '418 without looking
10:20:44 at its file history, you know that Claim 1 is very
10:20:50 limiting, period?
10:20:52 A. I know that it uses a phrase "consisting of."
10:20:59 Q. And you know that that is very limiting on
10:21:01 the scope of the claim, period?
10:21:04 A. I know that the interpretation given to that
10:21:07 phrase is as I have said, and it's much more limiting
10:21:11 than the word "comprising."
10:21:12 Q. And you don't need to look at the file
10:21:14 history to determine that?
10:21:15 A. The meaning of the phrase "consisting of" is
10:21:19 generally understood in the patent notes.
10:21:23 Q. That's not my question. I am asking: When
10:21:25 you look at that phrase "consisting of" in the '418
10:21:28 patent, you know that it's limiting and you don't need
10:21:32 to look at the file history to know that the '418 is
10:21:36 much more limited with "consisting of" than it would be
10:21:39 with "comprising"?

10:21:43 A. Well, that I think is correct.
10:21:45 Q. And nothing about reviewing the file history
10:21:52 is going to change that fact?
10:21:55 A. Nothing in the file history will change the
10:22:04 meaning that's given to the phrase "consisting of"
10:22:07 compared to the word "comprising," that is, to the
10:22:11 meaning given to the word "comprising."
10:22:14 Q. Nothing in the file history it follows would
10:22:41 make you possibly change your opinion about the
10:22:47 narrowness of the "consisting of" language in the '418
10:22:53 patent?
10:22:53 A. I think that's correct.
10:23:01 Q. Let me make clear that -- I'm asking the
10:23:05 question hypothetically. Before you review the file
10:23:07 history, you know that there is nothing in the file
10:23:09 history that is going to make the "consisting of"
10:23:11 language in Claim 1 seem broader than it is on the face
10:23:14 of just the patent itself?
10:23:26 A. I think that's right. The reason I'm
10:23:30 hesitating is that the phrase "consisting of" has an
10:23:33 established meaning, and when you look at that phrase
10:23:37 generally, you look at it in the context of that
10:23:40 established meaning.
10:23:45 Q. So if you -- we talked earlier about what you
10:23:47 need to review the file history to determine whether it

10:33:25 A. I would have to look at the circumstances associated with the use of the phrase "consisting of" in a hypothetical situation before I would say that there was negligence.

10:33:38 Q. And you would have to look at the circumstances because it's not necessarily always negligent, right?

10:33:44 A. I would want to -- I'm a cautious person. I would want to know why the person did what they did before I came to any conclusion.

10:34:03 Q. So sitting here today, you can't hypothesize any set of facts under which it would be non-negligent to use the term "consisting of" in an independent claim?

10:34:19 A. I have difficulty doing so, yes.

10:34:25 Q. Does use of the term "consisting of" in the independent claim always lessen the value of a patent?

10:34:39 A. The word "always" is one I try to avoid using because, who knows, there may be exceptions. But in general, I would say yes, that the use of the word "consisting of" in an independent claim is not good; that you would have less of a value associated with that claim than if you used the word "comprising."

10:35:22 Q. Can you give any sort of explanation, whether you want to choose qualitative or quantitative? How

10:40:13 in the patent area.

10:40:14 Q. So if that's the general rule, when you see "consisting of" in an independent claim of a patent, would you begin with the presumption that some sort of negligence has occurred?

10:40:33 A. I can't recall having seen the phrase "consisting of" other than the '418 patent at the moment, but again, it depends on why I am looking at the patent. As I said, most of the time when we're looking at patents, we are not looking to determine the claim coverage unless we are doing a right-to-use study; then, of course, we would look at the phrase "consisting of" and why it was added. But before I jump to any conclusions, what I do is I -- as I say, I look at the prosecution history.

10:41:09 Q. Well, again -- but you have said that the prosecution history doesn't impact the fact that "consisting of" limits the patent, right?

10:41:17 A. That's true.

10:41:18 Q. So you know from looking at the face of the patent that it's limited by the "consisting of" language, right?

10:41:23 A. That is correct.

10:41:24 Q. And you can't imagine many circumstances when it makes sense to use "consisting of"?

A. That's correct.
Q. So if you are looking at the Claim 1 and see "consisting of," then there is probably some sort of negligence in your opinion, right?
A. Negligence is the conclusion that is a final conclusion, I should say, in this situation. So before I jump to a final conclusion, I'm just careful and I look at the file history to see if there are some explanation that I may not be able to imagine. I don't pretend to know all reasons why all people do all things, and so I would just be careful.
Q. Well -- and I understand you would be careful and look at it, but you want to be careful and look at, at the file history, after seeing "consisting of" in Claim 1 because it's tough for you to imagine a good reason for doing that, right?
A. Yes. It's difficult for me to understand why the phrase "consisting of" may have been put in the claims; that's correct.
Q. And I'm not talking about the '418 here.
A. I understand.
Q. I'm talk in general. So in general, if you see a Claim 1 that has "consisting of," you would want to look at the file history because there might be something wrong with the prosecution; is that your

10:44:07 the phrase "consisting of" may have been a mistake. I mean, it could have been any one of a number of reasons that the phrase "consisting of" was used there. So you are asking me to speculate and -- on a hypothetical, and I can't tell you what the actual reasons would be unless we have, you know, a specific situation.

10:44:27 Q. In a general sense, would you say that the use of "consisting of" in Claim 1 of a patent would drastically limit the scope of the patent?

10:44:41 A. I think I've said that I believe that's the case.

10:44:43 Q. And you don't need to look at a file history to determine that that's a drastic limitation?

10:45:00 A. I would look at the file history to confirm that conclusion.

10:45:04 Q. But you are confirming a conclusion that you had from the face of the patent, right?

10:45:09 A. I'm confirming initial impression.

10:45:18 MR. TILLOTSON: I'm sorry. I didn't mean to interrupt you, but when you reach a stopping point could we just take a short rest room break?

10:45:24 MR. GANNAWAY: Sure. I am getting there.

10:45:26 MR. TILLOTSON: Okay.

10:45:26 Q. BY MR. GANNAWAY: Does it make a difference whether the "consisting of" phrase is used in a

10:59:17 the prosecution history of Exhibit 24?
10:59:23 A. I was asked to provide an opinion with respect to what I thought of the prosecution of this patent.
10:59:40 Q. Is it your opinion that attorneys from Fulbright and Jaworski who worked on the '418 patent were negligent?
10:59:51 A. I believe so, yes.
10:59:53 Q. In what way?
10:59:56 A. By adding the phrase "consisting of" to Claim 1 of this patent.
11:00:00 Q. Is there any other reason that you believe a Fulbright attorney or the law firm was negligent other than adding "consisting of" to Claim 1 of the '418 patent?
11:00:17 A. Well, there may have been things that should have been done ancillary to that -- in addition to that phrase, such as filing a continuation application to continue the prosecution so as to get a claim with broader coverage, and I didn't see that that had been done and so that would be another aspect of the basis of my conclusion.
11:00:55 Q. So you believe that Fulbright and Jaworski was negligent in adding the "consisting of" phrase to Claim 1 and in not filing a continuation to the '418

11:01:07 application; is that right?
11:01:08 A. That's correct.
11:01:12 Q. Are there any other reasons that you allege that Fulbright or its attorneys were negligent?
11:01:21 A. That's what I recall at this time.
11:01:50 Q. What else could you review that might lead you to any other theories about Fulbright's negligence?
11:01:58 A. Well, if there are any other records or other documents or other testimony that I haven't seen there may be other bases too, but --
11:02:20 Q. Sitting here today, you have come to the opinion that Fulbright was negligent for the "consisting of" amendment to Claim 1 and for not filing a continuation, and that's it?
11:02:39 A. That's the basis of my conclusion right now.
11:02:46 Q. Do you intend to add to the basis of that conclusion before trial?
11:02:53 A. I may. I don't know.
11:02:54 Q. What will shape that decision?
11:03:02 A. If I see any other documents -- I don't know whether I will or not -- or other evidence.
11:03:08 Q. Tell me what you first thought when you reviewed the '418 for the first time.
11:03:22 A. I don't recall what I first thought, but I can tell you that when I reviewed the file history and

11:03:35 the '418 patent and the Claim 1 of the '418 patent I
11:03:50 thought that a mistake had been made in adding the
11:03:59 phrase "consisting of" to the claim.
11:04:00 Q. So to make the determination that in your
11:04:03 opinion a mistake had been made in adding the
11:04:07 "consisting of" language in Claim 1 of the '418 patent,
11:04:10 you looked at the patent itself and the file history?
11:04:14 A. That's correct.
11:04:15 Q. Is there anything else that you looked at in
11:04:18 making the determination that in your opinion
11:04:22 negligence had occurred?
11:04:23 A. Well, I looked at all of the documents in
11:04:26 addition to the patent and the file history which are
11:04:31 shown in Exhibit D.
11:04:32 Q. Well, what would a patent attorney need to
11:04:35 review to make the determination that you did that
11:04:40 negligence had occurred in the prosecution process of
11:04:44 the '418?
11:04:45 A. Well, certainly the materials that I
11:04:59 reviewed, including the explanations of -- of what
11:05:07 happened as set forth in, for example, the various
11:05:13 papers that are listed in Exhibit D.
11:05:22 Q. So -- well, I'm trying to -- what I am trying
11:05:29 to get as is, what at a minimum would a patent attorney
11:05:33 need to review to determine that negligence had

11:05:37 occurred, as you opined, in the prosecution of the '418
11:05:42 patent?
11:05:44 A. Well, I looked at the patent, I looked at the
11:05:49 file history and then other documents to see if there
11:05:54 was an explanation of why, in fact, what we have in
11:06:01 Claim 1 of the '418 patent is what it is at this time.
11:06:06 Q. Is it your testimony that just reviewing the
11:06:10 '418 and its file history was not enough to draw the
11:06:14 conclusion that negligence had occurred in the
11:06:17 prosecution of the '418?
11:06:18 A. Well, I looked at the file history and I came
11:06:26 to the conclusion that there were some limitations
11:06:30 added to the Claim 1 of the '418 patent that didn't
11:06:35 have to be added in order to distinguish over the prior
11:06:40 art reference. And then I looked at other papers to
11:06:44 see if there was some explanation for why this was
11:06:49 done, and at the end I came to the conclusion that the
11:06:52 phrase "consisting of," end quote, was probably
11:06:56 improperly added.
11:06:58 Q. You reached a conclusion after just reviewing
11:07:06 the patent in the file history, though, that the
11:07:09 addition of "consisting of" was unnecessary, right?
11:07:12 A. I had the impression that it was unnecessary,
11:07:20 but in looking at further materials I had no
11:07:27 explanation explaining why that phrase was added, and

13:22:14 patent attorney to work effectively in this area.
13:22:18 Q. You believe that you, with your technical
13:22:21 background, were equipped to determine whether or not
13:22:24 the "consisting of" language in the '418 was
13:22:27 appropriate, right?
13:22:27 A. I believe so.
13:22:28 Q. Do you have any reason to believe that any of
13:22:30 the Fulbright attorneys who were with Fulbright while
13:22:35 the '418 was being prosecuted were not equipped by
13:22:39 their technical background to determine whether the use
13:22:42 of the "consisting of" language in '418 patent was
13:22:45 appropriate or not?
13:22:49 A. I haven't considered that. I have no basis
13:22:51 to comment on that one way or the other.
13:22:53 Q. Do you think anyone supervising Ms. Brashears
13:23:02 during the patent prosecution would need to have a
13:23:05 background in a particular kind of science to determine
13:23:10 whether or not the use of the "consisting of" language
13:23:13 was appropriate?
13:23:14 A. I don't think that it was necessary to have a
13:23:25 specific background in a specific science to determine
13:23:28 whether the phrase "consisting of" was appropriate in
13:23:30 this context.
13:23:32 Q. Okay.
13:23:32 A. In fact, I think that the phrase "consisting

13:23:37 of" really is a phrase that is legally defined and a
13:23:43 lot different background attorneys would know what his
13:23:48 limitations were.
13:23:49 Q. Specifically a patent attorney would know
13:23:51 what his limitations are?
13:23:52 A. Specifically a patent attorney, yes.
13:23:54 Q. Were you asked to determine in this case what
13:23:59 sort of claim language the examiner would have
13:24:03 permitted if the '418 had been prosecuted differently?
13:24:14 A. I don't recall being asked specifically that
13:24:18 question. I recall, though, in going through the
13:24:22 papers, coming to the conclusion that the phrase
13:24:28 "consisting of" did not have to be added to the claim.
13:24:32 In fact, in an earlier answer I think I said that I
13:24:37 thought that Ms. Brashears, when she, you know, would
13:24:41 -- should have told the client what the meaning of the
13:24:45 phrase "consisting of" was when she talked to the
13:24:47 client, if you remember that.
13:24:48 But as a practical matter, I think that the
13:24:51 advice that "consisting of" had to be added to the
13:24:55 claim is wrong, because it did not have to be added to
13:24:57 the claim. And so I think that was a big error on her
13:24:59 part, and I'm not sure that just advising the client of
13:25:03 the meaning of the word "consisting of" in that context
13:25:06 solves the problem.

14:00:03 to the examiner the distinction that was argued without
14:00:08 putting the "consisting of" language in.
14:00:09 Q. Do you agree with me that arguing with the
14:00:12 examiner might be unsuccessful?
14:00:13 A. Well, even with the "consisting of" language
14:00:17 in it I think it was unsuccessful. They got another
14:00:21 rejection. But I think that I would have done that
14:00:26 because I would have avoided putting "consisting of" in
14:00:29 except as a desperate last resort, and I don't think
14:00:33 they were there. I don't think it was necessary even
14:00:36 then, frankly, because I think the claim language does
14:00:37 distinguish over the art.
14:00:39 Q. You said before that you would never
14:00:45 guarantee to a client that a claim, as you wrote it,
14:00:49 will certainly be accepted by the examiner, right?
14:00:52 A. I don't guarantee that claims will be
14:00:56 accepted, yes.
14:00:57 Q. If Immunocept -- I'm sorry.
14:01:01 If the inventors told Fulbright, We want to
14:01:03 make sure we get this patent issued quickly, and we
14:01:07 understand that if you try and differentiate the prior
14:01:10 art we might not be successful in this next iteration
14:01:14 of getting the claim issued, do you agree with me that
14:01:16 that's -- that under those circumstances using the term
14:01:21 "consisting of" would be more likely to have the patent

16:18:50 A. I see that.
16:18:50 Q. As you have just defined it, doesn't
16:18:53 hemofiltering blood with a filter include replacing
16:18:56 albumin?
16:18:59 A. I had interpreted hemofiltering blood with a
16:19:06 filter as replacing albumin. And I don't think
16:19:09 that that is the way hemofiltering blood with a filter
16:19:14 is defined in this patent, but that was the way I read
16:19:18 the patent, it does not include that step. That would
16:19:22 be a claim construction issue.
16:19:24 Q. Could reasonable patent attorneys differ on
16:19:28 their conclusion regarding that claim construction
16:19:31 issue?
16:19:32 A. I'm sure patent attorneys would make
16:19:34 arguments probably on that issue.
16:19:36 Q. Could they make good faith arguments on
16:19:41 either direction on that issue?
16:19:45 A. Well, I think the phrase "consisting of" is
16:19:51 one that would be restricting this particular step to
16:20:00 just the filtering of the blood with a filter, and not
16:20:04 the addition of albumin to compensate for albumin that
16:20:06 was taken out. I think "consisting of" is a very
16:20:10 restrictive phrase.
16:20:17 Q. In Paragraph 9 of your report you point to
16:20:29 some language that was in Claim 2 of a July 1994 CIP

I, AUDREY S. KOLTERER, duly authorized to administer oaths pursuant to Section 2093(b) of the California Code of Civil Procedure, do hereby certify that the witness in the foregoing deposition was by me duly sworn to testify the truth in the within-entitled cause; that said deposition was taken at the time and place therein cited; that the testimony of said witness was reported by me and thereafter transcribed under my direction into typewriting; that the foregoing is a complete and accurate record of said testimony; and that the witness was given an opportunity to read and correct said deposition and to subscribe the same.

Should the signature of the witness not be affixed to the deposition, the witness shall not have availed himself of the opportunity to sign or the signature has been waived.

I further certify that I am not of counsel nor attorney for any of the parties in the foregoing deposition and caption named nor in any way interested in the outcome of the cause named in said caption.

DATED:
JANUARY 30, 2006

AUDREY S. KOLTERER
CSR No. 11875